1	Q	I beg your pardon?
2	A	Yes.
3	Q	What have been the sources of the capital
4	contribut	tions you've made?
5	A	Actual money being put into the partnership.
6	Q	Okay, and where has that money originated
7	from?	
8	A	Personal money.
9	Q	And, could you describe what you mean by
10	personal	money?
11	A	Money out of our savings account, money out
12	of	
13	Q	Excuse me, let's take them one at a time.
14	A	Okay.
15	Q	Savings account? You have a joint savings
16	account?	
17	A	Yes.
18	Q	And, money going into that joint savings
19	account w	vill come from where?
20	A	From payroll checks.
21	Q	Payroll checks?
22	A	Charley's and mine.
23	Q	Both of you?
24	A	Yes.
25	Q	Okay. Go ahead, next source.

1	A Payroll checks directly into the account.
2	Q Okay. And, would that be your personal
3	payroll checks?
4	A Yes.
5	Q And, go ahead, any other sources?
6	A Not that I can think of.
7	Q Did you and Mr. White take out a loan of some
8	kind jointly?
9	A Not that I can remember.
10	Q You don't recall borrowing any money to
11	provide funds to White Broadcasting Partnership?
12	A Not off the top of my head. I don't remember
13	that, no.
14	Q Have you personally made any loans to White
15	Broadcasting Partnership?
16	A No.
17	Q Turning your attention to page 9 in Exhibit
18	1, looking at the upper right-hand corners for page
19	numbers.
20	A Okay.
21	Q Section 7.01. I'm going to ask you a
22	question concerning the first paragraph, 7.01. So, if
23	you would like to read that and the subsequent 5. and
24	7.01 to familiarize yourself, feel free. The question
25	will be directed to the first paragraph.

1	All right, the second sentence of 7.01 says:
2	Subject to any limitations expressly set forth in this
3	agreement, the partners shall have power and authority
4	to take such action from time to time as he may deem to
5	be necessary, appropriate or convenient in connection
6	with the management and conduct of the business in
7	affairs of the partnership including without limitation
8	the power to, and then it lists the five subsequent
9	specific powers.
10	My questions to you is, looking at that
11	sentence I just read to you, is it your understanding
12	that either partner may undertake the five specific
13	powers identified in 7.01?
14	A Yes.
15	Q Either of you could do that without the
16	other?
17	A Yes.
18	Q Mrs. White, are you personally liable for the
19	debts of White Broadcasting Partnership?
20	A Yes, I am.
21	MR. WINSTON: No further questions, Your
22	Honor.
23	JUDGE LUTON: I beg your pardon?
24	MR. WINSTON: No further questions.
25	JUDGE LUTON: Thank you, Mrs. White.
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1	THE WITNESS: Thank you.
2	(Witness excused.)
3	JUDGE LUTON: Is Peaches ready to proceed?
4	Let's take a ten minute recess and the we'll
5	proceed with Peaches' direct case.
6	(Whereupon, a brief recess was taken.)
7	JUDGE LUTON: On the record.
8	Are you ready now to proceed with Peaches'
9	direct case?
10	MR. WINSTON: We are ready, Your Honor.
11	What is your plan what time do you plan on
12	finishing today?
13	JUDGE LUTON: I'm going to quit at 4:00 today
14	and each day thereafter, so long as we go. We are not
15	going to finish the whole thing today, so we will start
16	tomorrow, and each subsequent day, at 9:30 in the
17	morning, instead of 10:00.
18	MR. WINSTON: Thank you, Your Honor.
19	JUDGE LUTON: Would you take the stand,
20	please. Raise your right hand, please.
21	Whereupon,
22	FREDERICK D. MATHEWS
23	was called as a witness, and having been first duly
24	sworn, was examined and testified as follows:
25	JUDGE LUTON: Please be seated.

BY MR. HONIG: Q Will you state your full name for the red please. A Frederick D. Mathews. Q And your address?	
please. A Frederick D. Mathews. Q And your address?	
5 A Frederick D. Mathews. 6 Q And your address?	cord,
6 Q And your address?	
7 A 9130 11th Avenue, Jacksonville, Florida.	
8 MR. HONIG: Your Honor, let the record	
9 reflect that I am handing the court reporter two co	pies
of a bound package entitled Peaches Broadcasting	
11 Limited Direct Case Exhibits, which contains six	
exhibits that I would like to have marked for	
identification as Peaches Exhibits 1 through 6 and	I
will further identify them momentarily.	
Does Your Honor need to know	
JUDGE LUTON: No, I do not, thank you.	
MR. HONIG: Here is a set for the witness	, ·
18 also.	
19 BY MR. HONIG:	
Q First, Mr. Mathews, I would like to direct	:t
your attention to a four-page document labeled Peace	hes
Exhibit 1, the Applicant, and I would like to ask t	hat
that be marked for identification as Peaches Exhibi	t 1.
JUDGE LUTON: It is so marked.	

1	(The document referred to
2	above was marked Peaches
3	Exhibit No. 1 for
4	identification.)
5	BY MR. HONIG:
6	Q Mr. Mathews, will you please turn to page 3
7	of Peaches Exhibit 1.
8	A Yes, sir.
9	Q Is that your signature that appears there?
10	A Yes, it is.
11	Q And, have you examined the exhibit?
12	A Yes, I have.
13	Q Is the Exhibit accurate in all respects?
14	A Yes, it is.
15	MR. HONIG: Your Honor, I would move Peaches
16	Exhibit 1 into evidence.
17	JUDGE LUTON: 1 is received.
18	(The document heretofore
19	marked Peaches Exhibit No. 1
20	for identification was
21	received into evidence.)
22	BY MR. HONIG:
23	Q Now, Mr. Mathews, I would also like you to
24	turn your attention to a three-page exhibit entitled
25	Peaches Exhibit 2, Diversification of Control of Media
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1	of Mass Communication. Do you have that exhibit before
2	you?
3	A Yes, I do.
4	MR. HONIG: I would like to ask that that be
5	marked for identification as Peaches Exhibit 2.
6	JUDGE LUTON: Marked as 2.
7	(The document referred to
8	above was marked Peaches
9	Exhibit No. 2 for
10	identification.)
11	BY MR. HONIG:
12	Q Mr. Mathews, would you please turn to page
13	two of Peaches Exhibit 2.
14	A Yes.
15	Q Is that your signature?
16	A Yes, it is.
17	Q Have you examined the exhibit?
18	A Yes, I have.
19	Q And, is the exhibit accurate?
20	A It is.
21	MR. HONIG: Okay. I would move Peaches
22	Exhibit 2 into evidence, Your Honor.
23	JUDGE LUTON: 2, Diversification is moved.
24	Any objection?
25	(No response.)

1	JUDGE LUTON: It's received.
2	(The document heretofore
3	marked Peaches Exhibit No. 2
4	for identification was
5	received into evidence.)
6	BY MR. HONIG:
7	Q Now, Mr. Mathews, I next would to ask you to
8	turn to a nine-page exhibit identified as Peaches
9	Exhibit 3, Profile and Integration of Proposal of
10	Peaches Broadcasting, Limited, and would first ask that
11	it be marked for identification as Peaches Exhibit 3.
12	JUDGE LUTON: Three is marked.
13	(The document referred to
14	above was marked Peaches
15	Exhibit No. 3 for
16	identification.)
17	BY MR. HONIG:
18	Q Mr. Mathews, would you please turn to page 8
19	of Peaches Exhibit 3.
20	A Yes, sir.
21	Q Is that your signature?
22	A Yes, it is.
23	Q Have you examined the exhibit?
24	A Yes, I have.
25	Q Is the exhibit accurate?
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1	A Yes, it is.
2	MR. HONIG: Your Honor, I would move Peaches
3	Exhibit 3 into evidence.
4	JUDGE LUTON: 3 is moved. Any objection to
5	3?
6	MR. WINSTON: Yes, Your Honor.
7	Peaches Exhibit 3, page 5 of 9 prior
8	ruling, I still make my objection for the record on the
9	last two items listed as civic activities on that page
10	that commenced subsequent to the filing of the
11	application. I move to strike both of those.
12	JUDGE LUTON: All right. Again, my ruling is
13	that I don't believe that what is stated constitutes an
14	evidentiary objection. It's one which goes to the
15	weight, if any, to be given to those recent activities.
16	The objection is overruled.
17	MR. WINSTON: On page 7 of 9 there are two
18	items there listed at the bottom of page 7, Mrs.
19	Mathews has no broadcast experience but has media
20	experience transferrable to broadcasting as follows.
21	I would move that that and the remainder of
22	that page be stricken as outside
23	JUDGE LUTON: Well, the claim isn't for
24	broadcast experience here, Mr. Honig. What is it for?
25	MR. HONIG: Your Honor, these are offered

1	because of the Commission's growing flexibility to
2	claims other than broadcast station employment as
3	exemplified by the Sorenson decision. That decision,
4	of course, involved cable television.
5	I believe that these are of a similar nature
6	in that they are closely enough they involve
7	activities closely related to broadcasting, interacting
8	with broadcasting stations, performing functions of the
9	type performed in broadcasting stations, and I
10	certainly think that it is appropriate to leave them in
11	but allow them to be tested on cross examination.
12	JUDGE LUTON: All right. So, while this
13	isn't offered as broadcast station experience, it's
14	nevertheless offered as broadcast experience of a kind
15	that the Commission's pronouncements comprehend, is
16	what you are saying?
17	MR. HONIG: That's my intention, yes.
18	JUDGE LUTON: All right. Well, I'm not able
19	to decide the matter at this point. I'll permit the
20	parties to let the record develop as it will and argue
21	the point and propose findings. So I'm reserving on
22	that objection.
23	Any other objections to 3?
24	MR. WINSTON: No other objections, Your
25	Honor.

1	JUDGE LUTON: 3, then, is received.
2	(The document heretofore
3	marked Peaches Exhibit No. 3
4	for identification was
5	received into evidence.)
6	BY MR. HONIG:
7	Q Mr. Mathews, I'm going to ask that you turn
8	your attention to a three-page document entitled
9	Peaches Exhibit 4, Auxiliary Power. Do you have that
10	before you?
11	A Yes, I do.
12	Q Would you I would first like to ask that
13	Peaches that this be marked for identification as
14	Peaches Exhibit 4.
15	JUDGE LUTON: It's marked as 4.
16	(The document referred to
17	above was marked Peaches
18	Exhibit No. 4 for
19	identification.)
20	BY MR. HONIG:
21	Q Mr. Mathews, would you turn to page 2 of
22	Peaches Exhibit 4.
23	A I have.
24	Q Is that your signature?
25	A Yes, it is.

1	Q Have you examined the exhibit?
2	A Yes, I have.
3	Q Is it accurate?
4	A Yes, it is.
5	MR. HONIG: Your Honor, I would move Peaches
6	Exhibit 4 into evidence.
7	JUDGE LUTON: Auxiliary Power, it's received.
8	(The document heretofore
9	marked Peaches Exhibit No. 4
10	for identification was
11	received into evidence.)
12	BY MR. HONIG:
13	Q Now, Mr. Mathews, I would next ask you to
14	turn to a 65-page package of documents, which I will
15	identify with more specificity, which has been labeled
16	Peaches Exhibit 5.
17	(The document referred to
18	above was marked Peaches
19	Exhibit No. 5 for
20	identification.)
21	MR. HONIG: Your Honor, it is our intention
22	here to be offering the organizational documents as
23	amended in one package for the sake of simplicity.
24	To identify them properly, pages 1 through 50
25	of this exhibit are the Peaches Broadcasting Limited
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•	Destruction 1 march 1 march 1 ft through 54 march
1	Partnership Agreement; pages 51 through 54 are the
2	certificate of limited partnership; pages 55 through 58
3	are the revised certificate of limited partnership;
4	page 59 is amendment No. 1 to Peaches Broadcasting
5	Limited Partnership Agreement; pages 60 through 63 is
6	the amended and restated certificate of limited
7	partnership; and then the remaining two pages are the
8	supportive affidavits of Frederick Mathews, page 64,
9	and Anna Mathews, page 65.
10	JUDGE LUTON: And, altogether it constitutes
11	the entire set of organizational documents?
12	MR. HONIG: It's intended to, Your Honor.
13	JUDGE LUTON: Any objection?
14	(No response.)
15	JUDGE LUTON: It's received.
16	(The document heretofore
17	marked Peaches Exhibit No. 5
18	for identification was
19	received into evidence.)
20	MR. HONIG: The witness is available oh,
21	I'm sorry. There is Exhibit 6.
22	BY MR. HONIG:
23	Q Mr. Mathews, would you please turn your
24	attention to the seven-page document entitled Peaches
25	Exhibit 6. It begins with a two-page table entitled
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1	declaration of Thomas J. Johnson, with maps showing
2	addresses of Fred and Anna Mathews and listed addresses
3	with time periods of residences. That's pages one and
4	two.
5	Pages three and four are in fact Mr.
6	Johnson's declaration under penalty of perjury. He is
7	the applicant's engineer.
8	Page five is a map supporting Mr. Johnson's
9	declaration and prepared by him.
10	Pages six and seven are the affidavits of
11	Fred, page 6, and Anna, page 7, Mathews.
12	Mr. Mathews, would you
13	MR. HONIG: Well, first, may I ask that the
14	entire exhibit be marked as Peaches Exhibit 6.
15	JUDGE LUTON: Marked as 6.
16	(The document referred to
17	above was marked Peaches
18	Exhibit No. 6 for
19	identification.)
20	BY MR. HONIG:
21	Q And, Mr. Mathews, would you turn to page 6 of
22	Peaches Exhibit 6.
23	A Yes.
24	Q Is that your signature?
25	A Yes, it is.

1	Q Have you examined the exhibit?
2	A Yes, I have.
3	Q Now, to the best of your knowledge, is the
4	information contained in Peaches Exhibit 6 accurate?
5	A Yes, to the best of my knowledge.
6	MR. HONIG: Your Honor, I would move Peaches
7	Exhibit 6 into evidence?
8	JUDGE LUTON: Any objection?
9	(No response.)
10	JUDGE LUTON: 6 is received.
11	(The document heretofore
12	marked Peaches Exhibit No. 6
13	for identification was
14	received into evidence.)
15	MR. HONIG: The witness is available for
16	cross examination.
17	JUDGE LUTON: Who wishes to proceed?
18	Mr. and Mrs. White, you also have the
19	opportunity and the right to cross examine the witness
20	CROSS EXAMINATION
21	BY MR. WINSTON:
22	Q Mr. Mathews, how did you become aware that
23	the frequency would be available for a new station in
24	Baldwin, Florida?
25	A Specifically, I don't recall exactly how I
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1	became aware of it. But I was involved in a great deal
2	of broadcast activities at this time and through a
3	number of sources, local journalism association,
4	through the NAACP, my involvement there, I think I
5	became aware of it at that time.
6	Q When did you first take any specific steps
7	toward applying for the Baldwin frequency?
8	A About late summer of 1989.
9	Q Could you describe what you did?
10	A Through several conversations with Mr. Honig,
11	who is, of course, now counsel, we talked about some
12	specifics about what would need to be done. My wife
13	and I talked it over. We talked it over with several
14	other folks who were owners of stations, and make a
15	determination that this would provide an opportunity
16	for us to possibly own a station. We did it that way.
17	Q And, after you talked with Mr. Honig, did you
18	take any what specific steps did you take after that
19	to begin preparation of an application?
20	A Well, we made a determination as to what
21	would be the best way to pursue it in terms of
22	financing, of course, prosecution. We then came down
23	to a determination of going the route of partnership
24	and we made the determination that we would retain Mr.
25	Honig as counsel.

1	Q And you said you made a decision to make a
2	partnership. Did you at that time make a decision to
3	make it a limited partnership?
4	A At the time, of course, we were not aware of
5	all legal frameworks. We talked with counsel and the
6	determination that we came out with that we would go
7	the route of a limited partnership.
8	Q And, at the time you decided to file the
9	limited partnership, did you also decide at that time
10	who the general partner of that limited partnership
11	would be?
12	A No, we did not.
13	Q The general partner of Peaches Broadcasting
14	Limited is who?
15	A The general manager is Peaches Productions
16	Group, Inc.
17	Q What is the business of Peaches Production
18	Group, Inc.?
19	A It provides media services, consultant
20	services. That's in general what we what we
21	indicate we do. We are a media services company.
22	Q And that's an on-going business at this time?
23	A Yes, it is.
24	Q When was that business started?
25	A It started in early 1988, as I recall.

1	Q And who are the principals of Peaches
2	Production?
3	A Frederick and Anna Mathews.
4	Q When was it decided that Peaches Production
5	would be the general partner of Peaches Broadcasting
6	Limited?
7	A Again, a specific time? It was determined I
8	think at the point certainly that we decided that we
9	were going to be a limited partnership. Looking at
10	what we already had established, that being one of the
11	things that group, Peaches Productions Group, was set
12	up to do, that was a full gone conclusion that the
13	company would be the general partner.
14	Q Did you ever consider that Peaches Production
15	Group would file on its own as the applicant?
16	A Yes, we did.
L7	Q And what caused you to decide not to do that?
18	A The nature of the process of applying for a
L9	construction permit.
20	Q Could you tell me what you mean by that?
21	A Well, it's a very lengthy process and a
22	limited partnership provided us with two basic
23	elements, and that is, ready access to cash and control
24	over the process, that we would remain in control over
25	the process in difference to some other form of

1	collaboration.
2	Q So, one of the principal considerations in
3	choosing a limited partnership form was that it
4	provided you access to additional capital?
5	A Capital and control.
6	Q Looking at the capital aspect, once you
7	decided to be a limited partnership, how did you go
8	about deciding who the limited partners would be?
9	A Well, we certainly I knew a number of
10	persons in and around Jacksonville and around the
11	country who could be possibilities. Many of them have
12	some knowledge of the process of applying for CP's,
13	many others don't.
14	So, certainly we made a list of persons that
15	we would approach and we began to talk to those
16	persons, both in Jacksonville and around the State and
17	in some places around the country.
18	Q Who was the first limited partner of Peaches
19	Broadcasting Limited?
20	A Peaches Broadcasting.
21	Q Peaches Broadcasting Limited, who was the
22	first limited partner?
23	A Steve Weissman.
24	Q How did you come to involve Mr. Weissman as a
25	limited partner?

1	A We had in our process of looking for
2	limited partners and obviously having retained counsel,
3	we instructed him to use his experience and expertise
4	in also coming up with names. That was one of the
5	names suggested among many we talked to. I called
6	Steve and talked with him about it.
7	Q You called Steve Weissman at Mr. Honig's
8	suggestion?
9	A Not necessarily his suggestion, but that's
10	the only way I could contact him. I had to call him.
11	That was one of the list of names we had. So, I called
12	him.
13	Q Okay, but Mr. Honig gave you that name?
14	A Yes.
15	Q And said, this is somebody who might be
16	interested in being your limited partner?
17	A That's correct.
18	Q And, did Mr. Honig state how he knew Mr.
19	Weissman?
20	A No, he did not.
21	Q Did he state that he had ever represented Mr.
22	Weissman previously?
23	A I think in subsequent conversations,
24	possibly. But I did not inquire to him that deeply
25	about it.

1		Again, Mr. Honig has the experience in these
2	matters.	We retained him for that purpose, of
3	assisting	us.
4	Q	So, prior to your calling Mr. Weissman, Mr.
5	Honig had	not told you that he had represented him
6	previously	. That's your testimony?
7	A	I don't recall.
8	Q	Did Mr. Honig tell you that Mr. Weissman had
9	an applica	ation pending at the FCC at that time?
10	A	That specifically, again, I don't recall.
11	Q	You were aware of that later?
12	A	Subsequent to talking to Mr. Weissman, yes.
13	Q	All right. Your first conversation with Mr.
14	Weissman w	was a call you placed to him, is that correct?
15	A ,	Yes.
16	Q	And, it was just the two of you on that call?
17	A	I believe so, yes.
18	Q	Mr. Honig was not on that call?
19	A	No.
20	Q	Your wife was not on that call?
21	A	No, I don't think so.
22	Q	Could you tell me what transpired in that
23	phone call	?
24	A	We talked about mutual interest, things that
25	he had bee	n involved in in terms of broadcasting, his

1	knowledge about Jacksonville, about Baldwin. We found
2	out subsequently that we had a mutual acquaintance in
3	his area and we pretty much hit it off at that point
4	and we set up an opportunity for us to talk face to
5	face.
6	Q Where did Mr. Weissman reside at the time you
7	made that call to him?
8	A He resided on the West Coast of Florida,
9	Madeira Beach.
10	Q And what was his you said he had some
11	connection with Baldwin?
12	A Well, no, he did not. He had some
13	connections out of Tampa with a mutual interest of
14	ours. One of my NAACP acquaintances in Tampa.
15	Q Did you testify that he knew something about
16	Baldwin?
17	A No. I said that we talked about some of the
18	things about Jacksonville and about Baldwin. I don't
19	think he knew very much about Baldwin, if anything at
20	all, at that point.
21	Q Did he know anything about Jacksonville?
22	A Very little, from what I was able to gather.
23	Obviously, Jacksonville is a larger city. But, no, he
24	had never resided there, to my knowledge.
25	Q In that first conversation with Mr. Weissman

1	when you telephoned him, Mr. Weissman agreed to be
2	limited partner in Peaches Broadcasting Limited?
3	A No.
4	Q What was your next contact with Mr. Weissman
5	after that first telephone conversation?
6	A Again, specific day, I don't know and I don't
7	I think we had another conversation. I'm not sure -
8	- I'm not sure when the next contact was. I believe
9	that well, I'm not sure of the next contact really.
10	I'm not sure the next contact I just don't even want
11	to speculate about it. I don't know.
12	Q Tell me the next thing you recall with
13	respect to Mr. Weissman becoming a limited partner in
14	Peaches Broadcasting Limited?
15	A We met.
16	I went down to Tampa and we met and we talked
17	about what we were going to get personally. I wanted
18	to meet him and I'm sure he wanted to meet me. We
19	talked about it. And again, we found that we could
20	work together if this if the process went forward.
21	I liked him; he liked me, and I think it was at that
22	point that we pretty much agreed that we would go
23	forward with it.
24	Q Now, this is you said this was the meeting
25	in Tampa?

1	A Yes.
2	Q Did Mr. Weissman make a commitment at that
3	time that he was going to participate?
4	A Again, I don't know if it was at that time or
5	whether it was in a conversation we had prior to that.
6	But certainly by the time we did that meeting, at that
7	meeting that pretty much, you know, sealed it as far as
8	I was concerned.
9	Because, again, we did not the nature of
10	the agreement was such that he would not be in a
11	controlling interest. There was not a great deal to
12	discuss about that. I think, as anybody would be, he
13	was concerned about the investment that he was about to
14	make.
15	So I think once we that was settled, we
16	were able to go forth with it.
17	Q Was your conversation in Tampa the first time
18	that you talked about the investment that he would
19	make?
20	A Again, I don't recall.
21	Q You talked about it you did talk about it
22	in Tampa?
23	A Yes.
24	Q Did you make a resolution of that matter in
25	Tampa?

1	A I don't think we did, no.
2	Q You talked about how much money you talked
3	about how much money he would be required to invest?
4	A I don't recall.
5	Q You don't recall if you talked about that?
6	A I don't recall.
7	Q Did you talk about how much equity ownership
8	he would have?
9	A No, I don't recall if we discussed that.
10	Q You indicated a moment ago that in your mind
11	his involvement with Peaches Broadcasting Limited was
12	sealed in Tampa. My interpretation of that would be
13	that all the important details had been ironed out at
14	that time. Is that not that's not what you meant?
15	A No, I think that the Tampa meeting was such
16	that it allowed us to be comfortable with each other,
17	with the nature of what we were going into. We had
18	already decided from our standpoint that we would be
19	going into a limited partnership. That entailed
20	certain responsibilities.
21	My understand is that I think he understood
22	those responsibilities of a limited partner and the
23	restrictions therein. It was just a matter of, as with
24	any investor, him being comfortable with where his
25	investment would be.